

Small Business fact sheet



New options for health coverage are good for business.

As an employer, you want to do what is best for your employees and your business. You may have found few health insurance options met the needs of your business. Or you may have found insurance too expensive. kynect's SHOP program can help.

kynect is a health insurance marketplace. It gives you access to a variety of qualified health plans from insurance companies you know and trust. For small business, kynect has a special program called SHOP or the Small Business Health Options Program.

SHOP is all about what is right for you. In one place, you can compare many plans. You can choose to offer a few plans to your employees or just one plan. You are in control of the amount you spend and the amount of coverage you provide, as well as whether you cover dependents.

To help you make that decision, all health plans are put into one of four metal categories:



As the metal level increases from Bronze to Platinum, so does the percentage of medical expenses that a plan will cover. For example, a Platinum plan usually has a higher premium and lower out-of-pocket cost. A Bronze plan usually has a lower premium and higher out-of-pocket cost.

SHOP for lower insurance costs.

kynect helps small group employers enroll their employees in health plans through SHOP. Small businesses must have 50 or fewer full-time employees to be eligible



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for SHOP. In 2016, small businesses can have up to 100 full-time equivalent employees. Tax credits may be available for businesses with 25 or fewer full-time equivalent employees. To qualify for the tax credit, a business must meet three requirements:

1. Employ 50 or fewer full-time equivalent employees.
2. Pay at least 50% of the premium for employees.
3. Meet a group average annual wage of less than \$50,000.

Example of a Small Business Receiving Tax Credits

| | |
|--------------------------------|--|
| | Beauty Shop with 10 employees |
| Business | Main Street Hair |
| Employees | 10 full-time employees |
| Wages | \$250,000 total or an average of \$25,000 per employee |
| Employee Health Insurance Cost | \$70,000 |
| Tax Credit | \$35,000 (50%) |

To learn more about tax credits, please consult the interactive calculator for Small Business Tax Credits at kynect.ky.gov. Tax credit amounts may vary based on employee size and average annual wages.

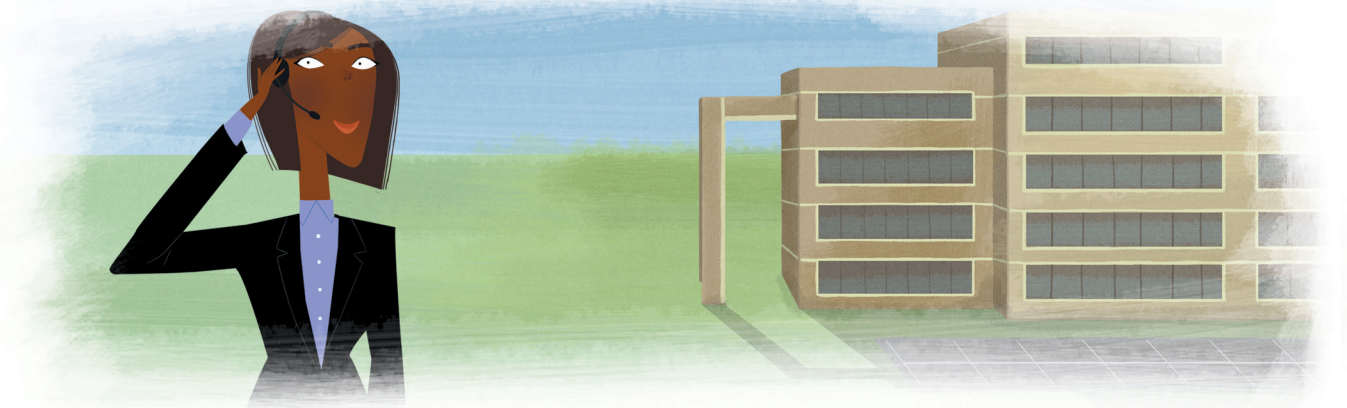
The tax credit is worth up to 50% of your contribution toward employee premium costs. This will make the cost of providing health coverage lower.

One monthly bill.

Plus, you can keep working with your current insurance agent. If you aren't working with an insurance agent, kynect can help you find an insurance agent or provide other assistance at no cost to you.

There is no designated open-enrollment period. You can enroll according to your policy's renewal date or whenever you choose.

Employers are already using kynect. Find out more today.



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